



FOR IMMEDIATE RELEASE:

**Frederick's of Hollywood Group Inc. Reports
Pre-Merger Fiscal 2008 Second-Quarter and First-Half Financial Results**

New York, New York (February 14, 2008)—Frederick's of Hollywood Group Inc. (formerly Movie Star, Inc.) (AMEX: FOH) ("Company") today announced financial results for its fiscal 2008 second quarter and six months ended December 31, 2007. The financial results do not include the financial results of FOH Holdings, Inc., which became a wholly-owned subsidiary of the Company upon the consummation of its merger with FOH Holdings, Inc. on January 28, 2008 (the "Merger") because the Merger occurred after the end of the Company's fiscal 2008 second quarter. FOH Holdings, Inc. is the parent and sole stockholder of Frederick's of Hollywood, Inc. Frederick's of Hollywood Group Inc. will report combined financial results for the fiscal 2008 third quarter ending April 26, 2008.

Net sales for the fiscal 2008 second quarter were \$17,735,000, compared to last year's \$17,524,000. Gross margin, as a percentage of sales, was 33.6% for the fiscal 2008 second quarter, compared to 34.6% in the fiscal 2007 second quarter. Pre-tax income for the fiscal 2008 second quarter was \$495,000, compared to \$963,000 in the same quarter last year. Pre-tax income for the fiscal 2008 second quarter included \$559,000 of merger related fees. The fiscal 2007 second quarter pre-tax income included a \$496,000 gain on the sale of property, plant and equipment and \$803,000 of merger related fees. The Company recorded net income of \$297,000, or \$0.02 per diluted share, for the fiscal 2008 second quarter, as compared to \$578,000, or \$0.04 per diluted share, for the fiscal 2007 second quarter. All per share data contained in this press release does not reflect the one-for-two reverse stock split effected by the Company on January 28, 2008 in connection with the Merger.

Net sales for the first half of fiscal 2008 were \$29,674,000, compared to \$36,214,000 in the same period last year. For the first half of fiscal 2008, the gross margin was 31.4%, compared to 32.8% in the comparable period of fiscal 2007. For the fiscal 2008 first half, the Company recorded a net loss of \$669,000, or \$0.04 per share, compared to net income of \$944,000, or \$0.06 per diluted share, in the comparable period of fiscal 2007. Net income for the first half of fiscal 2008 included \$917,000 of merger related fees. Net income for the first half of fiscal 2007 included \$1,342,000 of merger related fees and a \$496,000 gain on the sale of property, plant and equipment, which was primarily attributable to the sale of the Company's former distribution center in Pennsylvania.

Mel Knigin, President and CEO of the Company's Movie Star division, stated, "We expect second-half sales for the Movie Star division to compare favorably to last year's second half, as a result of our strong open order position, which was approximately \$26,830,000 at December 31, 2007, compared with \$25,241,000 at December 31, 2006, as well as our subsequent receipt of a \$2,500,000 order that was not included in our open orders at December 31, 2007. In the prior year, we had received a comparable order in the month of December and it was therefore included in our open order position at December 31, 2006. This additional order brings our increase in comparable open orders to approximately \$4,000,000."

Mr. Knigin continued, "We have worked hard to complete the merger and are excited that we can now focus on successfully growing a company that currently has over \$200 million in combined annual revenue and offers greater growth opportunities than each company had previously on a stand alone basis."

About Frederick's of Hollywood Group Inc.

Frederick's of Hollywood Group Inc. (formerly Movie Star, Inc.) operates two divisions, the Movie Star division and the Frederick's of Hollywood division:

About the Frederick's of Hollywood Division

FREDERICK'S OF HOLLYWOOD has been recognized as one of the world's most well known brands, with more than 135 specialty retail stores nationwide, a world-famous catalog and online shop at www.fredericks.com. By keeping an eye toward modern Hollywood as well as its own legendary history, FREDERICK'S OF HOLLYWOOD creates innovative, alluring lingerie that is coveted by its customers. With its exclusive product offerings including Seduction by Frederick's of Hollywood, and the Hollywood Exxtreme Cleavage Bra, FREDERICK'S OF HOLLYWOOD is the Original Sex Symbol™.

About the Movie Star Division

Movie Star designs, manufactures (through independent contractors), imports, markets and distributes women's intimate apparel, including sleepwear, robes, leisurewear and daywear, to mass merchandisers, specialty and department stores, discount retailers, national and regional chains and direct mail catalog marketers throughout the United States. Current collections include the Cinema Etoile premium line of intimate apparel and the Movie Star line of apparel sold as private label programs.

Forward Looking Statement

Certain of the matters set forth in this press release are forward-looking and involve a number of risks and uncertainties. Among the factors that could cause actual results to differ materially are the following: competition; business conditions and industry growth; rapidly changing consumer preferences and trends; general economic conditions; large variations in sales volume with significant customers; addition or loss of significant customers; continued compliance with government regulations; loss of key personnel; labor practices; management of growth, increases in costs of operations or inability to meet efficiency or cost reduction objectives; the timing of orders and deliveries of products; foreign government regulations and risks of doing business abroad; failure to realize the merger's anticipated synergies; and the other risks that are described from time to time in Frederick's of Hollywood Group Inc.'s SEC reports.

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FREDERICK'S OF HOLLYWOOD GROUP INC. (formerly MOVIE STAR, INC.)
CONSOLIDATED CONDENSED BALANCE SHEETS
(In Thousands, Except Share Information)

	<u>December 31,</u> <u>2007</u>	<u>June 30,</u> <u>2007*</u>	<u>December 31,</u> <u>2006</u>
	(Unaudited)		(Unaudited)
Assets			
Current Assets			
Cash	\$ 215	\$ 53	\$ 90
Receivables, net	10,018	8,266	10,090
Inventory	10,729	6,816	10,168
Deferred income taxes	1,322	1,518	1,728
Prepaid expenses and other current assets	<u>223</u>	<u>291</u>	<u>244</u>
Total current assets	<u>22,507</u>	<u>16,944</u>	<u>22,320</u>
Property, plant and equipment, net	1,156	943	1,028
Deferred income taxes	4,096	3,438	2,915
Goodwill	537	537	537
Other assets	<u>646</u>	<u>476</u>	<u>453</u>
Total assets	<u>\$28,942</u>	<u>\$22,338</u>	<u>\$27,253</u>
Liabilities and Shareholders' Equity			
Current Liabilities			
Note payable	\$11,328	\$ 4,126	\$ 7,651
Current maturities of capital lease obligations	58	57	55
Accounts payable and other current liabilities	<u>3,213</u>	<u>3,171</u>	<u>4,074</u>
Total current liabilities	<u>14,599</u>	<u>7,354</u>	<u>11,780</u>
Long-term liabilities	<u>304</u>	<u>379</u>	<u>434</u>
Shareholders' equity **			
Common stock, \$.01 par value – authorized 30,000,000 shares; issued 18,502,000 shares at December 31, 2007, 18,440,000 shares at June 30, 2007 and 17,960,000 shares at December 31, 2006	185	184	180
Additional paid-in capital	5,640	5,552	5,180
Retained earnings	11,838	12,507	13,305
Accumulated other comprehensive loss	(6)	(20)	(8)
Treasury stock, at cost—2,017,000 shares	<u>(3,618)</u>	<u>(3,618)</u>	<u>(3,618)</u>
Total shareholders' equity	<u>14,039</u>	<u>14,605</u>	<u>15,039</u>
Total liabilities and shareholders' equity	<u>\$28,942</u>	<u>\$22,338</u>	<u>\$27,253</u>

* Derived from audited financial statements.

** All share data contained in this press release does not reflect the one-for-two reverse stock split effected by the Company on January 28, 2008.

FREDERICK'S OF HOLLYWOOD GROUP INC. (formerly MOVIE STAR, INC.)
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In Thousands, Except Per Share Amounts)

	Three Months Ended		Six Months Ended	
	December 31,		December 31,	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Net sales	\$17,735	\$17,524	\$29,674	\$36,214
Cost of sales	<u>11,780</u>	<u>11,462</u>	<u>20,357</u>	<u>24,329</u>
Gross profit	5,955	6,062	9,317	11,885
Selling, general and administrative expenses	4,704	4,580	9,206	9,067
Merger related fees	559	803	917	1,342
Gain on sale of property, plant and equipment	<u>-</u>	<u>(496)</u>	<u>-</u>	<u>(496)</u>
Income/(loss) from operations	692	1,175	(806)	1,972
Interest expense	<u>197</u>	<u>212</u>	<u>309</u>	<u>399</u>
Income/(loss) before provision for (benefit from) income taxes	495	963	(1,115)	1,573
Provision for (benefit from) income taxes	<u>198</u>	<u>385</u>	<u>(446)</u>	<u>629</u>
Net income (loss)	<u>\$ 297</u>	<u>\$ 578</u>	<u>\$ (669)</u>	<u>\$ 944</u>
BASIC NET INCOME (LOSS) PER SHARE *	<u>\$.02</u>	<u>\$.04</u>	<u>\$(.04)</u>	<u>\$.06</u>
DILUTED NET INCOME (LOSS) PER SHARE *	<u>\$.02</u>	<u>\$.04</u>	<u>\$(.04)</u>	<u>\$.06</u>
Basic weighted average number of shares outstanding *	<u>16,447</u>	<u>15,810</u>	<u>16,439</u>	<u>15,786</u>
Diluted weighted average number of shares outstanding *	<u>16,924</u>	<u>16,232</u>	<u>16,439</u>	<u>16,090</u>

* All share and per share data contained in this press release does not reflect the one-for-two reverse stock split effected by the Company on January 28, 2008.